50X1-HUM

CLASSIFICATION

CONFIDENTIAL

CENTRAL INTELLIGENCE AGENCY

FOREIGN DOCUMENTS OR RADIO BROADCASTS

INFORMATION FROM

CD NO.

COUNTRY

Czechoslovakia

DATE OF

SUBJECT

Economic - Plan fulfillment

INFORMATION 1950

PUBLISHED Daily newspaper

DATE DIST.

Dec 1950

WHERE

PUBLISHED Czechcslovakia

NO. OF PAGES

DATE

PUBLISHED 28 Oct 1950

SUPPLEMENT TO

LANGUAGE Czech

REPORT NO.

THIS IS UNEVALUATED INFORMATION

SOURCE

Lidove Noviny

## THIRD QUARTER REPORT REVEALS DIFFICULTIES

In comparison with the third quarter 1949, the output of heavy industry increased most markedly in the heavy machinery sector during the third quarter 1950. In spite of this, the production plan for cranes, steam and water turbines, synchronous motors, turbocompressors, and high-pressure pumps was not fulfilled. One reason for this is that heavy machine tools, for example, are far from being fully utilized. Two and three shifts must be worked in many more places than at present.

The output of the mines has increased 7 percent over the third quarter 1949 level. The supplementary plan was not fulfilled, however, because the planned output per miner has not been attained.

Electric power production has not been able to guarantee deliveries of power in the morning and evening peak periods. This, was the result both of the low water level in the rivers and of the unusually large number of equipment failures.

The development of metallurgy is still behind that of the rest of heavy industry, despite the great efforts being made by metallurgical workers. For this reason it is necessary that the technical directors of the industry improve utilization of blast furnaces, steel furnaces, and blooming mills in particular. The experiences gained from shock-worker shifts must be introduced in all plants, and the time required for repairs to equipment must be reduced.

The precision machinery industry has perfected the production of machine tools formerly imported from capitalist countries. The recruitment of women for factory work has released more men for the heavy machinery and metallurgical industries.

The light metal industry is continuing to concentrate its efforts toward developmental work on new special machinery and instruments.

CONFIDENTIAL

		CLASSIFICATION				CONFIDENTIAL								
Γ	STATE	X NAVY	X	NSRB		DISTRIBUTION				$\Box$	***************************************			
	ARMY	AIR	X	FBI			-							

٢

## CONFIDENTIAL

CONFIDENTIAL

50X1-HUM

The production of construction materials in the third quarter 1950 was not entirely able to meet the increased demands of the construction and heavy electrical machinery industries. The principal reasons for this are the slow pace of mechanization in the industry, poor utilization of production equipment, high labor turnover, and various organizational difficulties.

The reorientation of the glass industry toward technical production was still not satisfactory. This was caused by the delay in research and development and by poor technical management.

The wood industry has produced more standardized furniture, but it is still unable to satisfy the growing demand. Materials supplies are to be improved and production will increase.

The textile industry is working on improving the quality of its products. Combing of fine yarns has now been begun, resulting in improved quality and a saving of foreign exchange.

The dairy products plan was not fulfilled because deliveries of milk dropped.

The construction plan was fulfilled by 95 percent in the third quarter 1950, and by 87 percent for the first three quarters of the year. Over 170,000 square meters of shop space and 236,000 square meters of other production structures were completed in the third quarter of the year. At the same time, 327,000 square meters of space were completed for agriculture and large-scale animal fattening. Almost 375,000 square meters of dwelling space were completed in the third quarter 1950. The output of the construction industry increased by 32 percent over the same quarter of 1949.

The over-all transport plan was fulfilled by 106 percent in the third quarter 1950, with rail freight traffic fulfilling its plan by 113 percent and rail passenger traffic by 97 percent. Rail freight traffic has increased 18 percent over the third quarter 1949 level. Because more privately owned vehicles were incorporated in state motor transport, the highway freight transport plan was exceeded by 67 percent and the bus transport plan by 12 percent. Highway freight transport was 22 percent, and bus traffic 14 percent, higher than during the same period of 1949.

The water transport plan was not fulfilled because of the low water level on the Elbe and Oder. The plan for air transport was not met. The postal transport plan, however, was exceeded.

Employment increased during the third quarter 1950, particularly in industry, construction, and forestry. The number of workers planned for the end of 1950 was reached by 30 September 1950, although only 98 percent of the planned number of workers was in heavy industry at that time.

There were only 96 percent of the planned number of metallurgical workers on 30 September, and in the mines there were only 92 percent of the planned number. Labor productivity rose from the third quarter 1949 to the same period of 1950 by 9 percent.

The foreign trade plan was fulfilled for the third quarter 1950. Half of all imports consisted of raw materials. Finished products accounted for almost 80 percent, and foods almost 10 percent, of all exports. The Soviet Union and the people's democracies accounted for 53 percent of all imports and 55 percent of all exports from Czechoslovakia in that period.

The number of radio listeners increased by 6 percent from the third quarter 1949 to the same period in 1950.

- E N D -

CONFIDENTIAL CONFIDENTIAL